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Chairman : Mr. Balarezo ..... (Peru)

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The meeting was called to order at 10.10 a.m.

Agenda item 89: Eradication of poverty and other development issues *(continued)* (A/59/115, A/59/155-E/2004/96 and A/59/158)

(a) Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) *(continued)* (A/59/326 and A/59/326/Add.1)

(b) Women in development *(continued)* (A/59/287)

(c) Industrial development cooperation *(continued)* (A/59/138)

1. **Mr. Lolo** (Nigeria) said that his delegation aligned itself with the statement made in relation to the agenda item by Qatar on behalf of the Group of 77 and China. Microcredit and microfinance, although important to the reduction of poverty, empowerment of vulnerable groups, development of rural communities and promotion of gender equality, were not the ultimate solution in the area of financing for development. They worked best under optimal conditions and with a specific type of client, but were not sufficiently accessible to those most in need. The poor, who needed credit the most, lacked in many cases adequate collateral or information on credit possibilities. Ways should therefore be found to draw the poorest of the poor to the microcredit schemes and encourage them to use them.

2. Over-commercialization of microcredit should be avoided, and service to the poor should remain the overriding principle. While the lending standards and patterns of microcredit should be standardized, loans should be tailored to specific needs. That required cooperation between the public and private sector at the national and international level.

3. The private sector must play a more active role by leveraging government microfinance efforts, because it was in a better position to manage credit services. Microcredit and microfinance agencies should coordinate their action with the activities of government bodies and non-governmental organizations (NGOs), especially in relation to capacity building, loan disbursement and infrastructure development. The poorest strata of society would participate more in the economy, if the economic and social environment were right.

4. In 1986, Nigeria had established the People's Bank of Nigeria (PBN) with little - if any - private sector participation. In the 14 years of its existence, the bank had provided seed capital for many small-scale entrepreneurs to invest in general trading and other businesses and in agriculture and livestock. Although its activities had had a positive impact, the bank had suffered from institutional and managerial weaknesses, coupled with low repayment rates by borrowers who regarded loans as grants from their rightful share of the national cake. The Nigerian Government had launched a fund to empower rural women to take active part in economic activities. As part of the International Year of Microcredit activities, Nigeria intended to hold a conference on microcredit.

5. **Mr. Ngariama** (Kenya) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. In the developing countries, the major constraint to effective private sector participation was the lack of affordable financial services, because commercial banks charged high interest rates and required collateral that the poor could not put up. Yet many poor people were potential micro entrepreneurs who represented an unmet demand for financial services and could, if collateral-free and low-interest credit were available, provide the stimulus necessary for extensive wealth creation and poverty reduction. The challenge therefore consisted in finding ways to support those potential micro entrepreneurs for setting up small businesses and becoming integrated into the formal economy.

6. To address those issues, in 2003 the Government of Kenya had set up, in the Central Bank, microfinance units whose main objective was to streamline the operations of microfinance institutions and enhance small entrepreneurs' access to credit. Such measures were all the more necessary because the Kenyan financial sector was dominated by large international banks providing poor geographic coverage and expensive services. Parliament had enacted a law creating a regulatory and monitoring regime for microfinance institutions. They had an obligation to set up a deposit protection fund safeguarding their clients' deposits in the event of a financial crisis, and ensure

that minimum requirements for start-up capital financing were met.

7. The Government continued to take the measures necessary for developing the private sector, and, pursuant to the plan of action for the International Year of Microcredit 2005, had set up in the Ministry of Finance a committee responsible for raising awareness of microfinance and promoting microenterprises. In 2003, in order to assess the level of development of credit, that committee had organized throughout the country extensive consultations involving the private sector, non-governmental organizations (NGOs), civil society, the donor community and the government bodies concerned. One of the outcomes of those consultations had been the establishment of a microfinance unit that was currently setting up a one-stop-shop system for microfinance and credit approval.

8. Annual countrywide campaigns to promote microenterprise products had been held since the early 1990s in cooperation with the private sector. The campaigns had been successful, particularly in creating linkages between microenterprises and the other economic actors, but to fully integrate microenterprises into the national economy it was necessary to assist them to promote and market their own products, especially on the basis of market surveys.

9. The savings base of most microfinance institutions was too narrow and their interest income too low to enable them to fully meet the demand for loans among potential entrepreneurs. The necessary funds should therefore be provided from the government budget, but in many countries that option would conflict with the need for basic services such as health and education. Accordingly, Kenya called upon the development partners to seriously consider making microcredit programmes a priority for their official development assistance (ODA).

10. **Mr. Chowdhury** (Bangladesh), speaking on agenda item 89 (a), said that, when it had been launched, the First United Nations Decade for the Eradication of Poverty had been generally expected to prompt greater worldwide awareness of poverty's breadth and depth and spur the peoples and the Governments to provide poor countries with increased support for reducing poverty. Only two years before the end of the decade, however, that was yet to happen and 1.2 billion people were still languishing in extreme poverty. If the ODA level did not rise considerably more than it had in the post-Monterrey period, close to one billion people would still be living in extreme poverty in 2015.

11. That the world would observe the International Year of Microcredit 2005 was a source of major satisfaction for Bangladesh, because of its deep association with the microcredit concept. The world had realized that microcredit transcended the conventional limits associated with the factors of production and entailed profound societal transformations: it had proven effective not only in reducing poverty, but also in empowering women, improving health and living conditions and educating the poor.

12. During the International Year for Microcredit 2005, the United Nations should therefore raise awareness of the need to systematically use microcredit to break the vicious circle of poverty through partnerships between the United Nations, Member States, international financial institutions (IFIs), non-governmental organizations (NGOs) and the private sector. That would be a decisive step towards attaining the Millennium Development Goals (MDGs).

13. Bangladesh had drawn up a detailed programme for the observance of the Year, which Prime Minister Begum Khaleda Zia would launch on 1 January 2005. As a lead-up to the Year at the regional level, Bangladesh had hosted in February 2004 the Asia-Pacific Region Microcredit Summit Meeting of Councils, which had been attended by more than 1,200 delegates from 47 countries.

14. **Mr. Hannesson** (Iceland), speaking on agenda item 89 (b), said that international migration, if appropriately regulated and controlled, could contribute positively to development and economic growth. To reduce negative effects on the migrants, it was necessary to promote and protect their human rights. Since gender inequality could be both a cause and a consequence of international migration, gender equality was crucial inasmuch as it would help to reduce migration's negative impact.

15. Combating trafficking in human beings should be a priority for States, most of which were affected as countries of origin, transit or destination. There had been evidence of attempts to use Iceland as a country of transit and the national authorities had taken appropriate steps to foil such efforts.

16. Parliament had recently enacted a law amending the criminal code and making trafficking in human beings a crime. Efforts to raise public awareness of trafficking in women had included three conferences in two years on trafficking in persons. Iceland was actively involved in the international combat against trafficking by participating, through the Nordic Ministerial Council, in the Nordic-Baltic Task Force against Trafficking in Human Beings. Furthermore, combating human trafficking was a priority for Iceland in its collaboration with the Organization for Security and Cooperation in Europe (OSCE) and Iceland financed a female anti-trafficking officer within the OSCE Mission in Bosnia-Herzegovina.

17. **Mr. Bodini** (San Marino), referring to microcredit, said that it was a powerful development tool, because it helped to increase the number of small businesses, thereby stimulating a country's economy and contributing to the stability of the social structure. Microcredit could also be used effectively to build a fair and democratic economic environment for the poorest social strata. Each Government should therefore formulate a microcredit policy adapted to national needs and rules. To ensure compliance with international priorities, those policies should be periodically monitored by a small number of international bodies entitled to propose any necessary changes or amendments. Microcredit should be partly funded by private investors, who ought to be responsible for managing the microcredit business.

18. **Mr. Limon** (Suriname), speaking on behalf of the Caribbean Community (CARICOM), stated that all countries should do their utmost to achieve the Millennium Development Goals (MDGs), especially MDGs aimed at eradicating poverty and hunger. The developed countries in particular should fulfil their commitment to provide official development assistance (ODA) equivalent to 0.7 percent of their gross domestic product (GDP). CARICOM applauded the countries that had met their commitments and urged those that had not to honour their obligations.

19. The limited progress achieved in some parts of the world towards reducing poverty was insufficient to guarantee that the poverty eradication target expected to be met by 2015 would actually be attained. The Caribbean region was prone to natural disasters that compounded the vicious circle of poverty, because after each such major disaster the region's Small Island Developing States (SIDS) had to rebuild their economy from scratch. Growth rates in the region were too low to ensure development and poverty reduction, and the Caribbean countries needed assistance from the international community to complement their own resources.

20. Providing financial services for the poor and for low-income people could help to achieve the MDGs, especially those aimed at eradicating poverty. Microfinance should therefore be promoted as a development tool. CARICOM welcomed the International Year of Microcredit 2005 and advocated the promotion of partnerships to foster microcredit and microfinance and enhance their accessibility to poor people.

21. The eradication of poverty among women, which, according to the Fourth World Conference on Women, was an integral part of any effective poverty-reduction strategy, would make it possible to protect many women from various forms of exploitation and criminal abuse, such as human trafficking and smuggling. A number of CARICOM member States were often targeted as transit countries for such trafficking and CARICOM cooperated with other Greater Caribbean countries and the international community against the crime syndicates behind those activities.

22. Successful industrialization could help poor countries to generate much needed employment. Industrial development could therefore play a crucial role in raising a country's growth rate and alleviating poverty. Developing countries, however, could not achieve such development without the benefit of technology transfer.

23. The World Leaders' Meeting on Action Against Hunger and Poverty, held in New York in late September 2004, had underscored the urgent need to act against hunger and poverty in the world. All Caribbean countries were faced with poverty-related ills, and poverty was considered to be the cause of many other social and economic problems. It was generally characterized by wide income and quality-of-life disparities and high unemployment. Since education was essential to poverty reduction, the region endeavoured to improve its educational standards and facilities. To reduce poverty and crime, it also envisaged promoting various forms of cultural expression and launching initiatives on empowering the poor by enabling them to design and conduct productive and motivational activities.

24. Although development and security were interdependent, the United Nations development agenda did not sufficiently address war- and security-related issues. They should be brought into greater prominence.

25. **Mr. Yean Yoke Heng** (Malaysia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. He referred to the high-level meetings to be held in 2005 in order to review progress in achieving the Millennium Development Goals (MDGs) and in fulfilling the commitments made at the major international conferences and Summits, particularly the solemn proclamation to reduce poverty across the board by half by the year 2015.

26. In September 2005, the international community would have traversed one third of the path to the target year of 2015 and had reasons not to feel too optimistic about achieving the goals that had been set. Many developing countries, especially among the Least Developed Countries (LDCs), were extremely hard-pressed to meet those targets. The main obstacle to the implementation of the various poverty reduction programmes and projects was lack of financial resources and essential capacities.

27. Malaysia believed that poverty eradication required a multidimensional approach at the national, regional and international level. International aid and assistance were a core requirement. According to widely acknowledged estimates, meeting the goals set in the Millennium Declaration required US$150 billion per year. I was necessary to focus on raising additional resources, including through new and innovative financing methods. Malaysia appreciated the recognition of the need to provide official development assistance (ODA) equivalent to 0.7 percent of gross domestic product (GDP), commended the countries that had increased their contributions, urged the other donor countries to make efforts to fulfil their commitment, and attached great importance to the follow-up to the International Conference on Financing for Development and to the full implementation of the Monterrey Consensus.

28. In order to achieve sustainable social and economic development, many developing countries were working closely with the United Nations system and the development partners to introduce necessary reforms and changes - aimed inter alia at greater transparency and better governance - in their policies and national development priorities. The international community should at the same time ensure that good governance prevailed also at the international level to provide a dynamic international economic environment that would facilitate the integration of developing countries into the world economy and allow them to share the benefits of globalization.

29. Malaysia believed that the developing countries should persevere with - and maintain ownership of - efforts to make the adjustments necessary for creating a domestic environment conducive to sustainable development. Applauding the initiatives of the New Partnership for Africa's Development (NEPAD), it urged the international community, and in particular its partners, to continue to provide necessary support to NEPAD and to the various programmes of action for sustainable development in the Least Developed Countries (LDCs), the Landlocked and Transit Developing Countries (LLDCs) and the Small Island Developing States (SIDS). Successful implementation of such programmes would help to rid those countries and their population of the scourge of poverty.

30. Malaysia welcomed the decision taken by the International Monetary Fund (IMF) in October 2004 to enhance the support that the Fund provided to low income countries, especially LDCs, mainly located in sub-Saharan Africa, and hoped that the ensuing IMF policy changes that would follow would address those countries' special needs.

31. The unsustainable debt-servicing burden on heavily indebted developing countries and the unfulfilled ODA commitments of donor countries were issues that needed to be seriously addressed. Debt servicing had been one of the major obstacles to progress in developing countries and, if their efforts were to be effective, there was an urgent need for policy consistency on that issue. Debt write-off and other measures taken by some donor countries in connection with bilateral debt were welcome, but Malaysia felt that more such initiatives should be undertaken in the area of multilateral debt.

32. Malaysia welcomed the fact that the International Year of Microcredit 2005 declared by the General Assembly had been well received in the Member States and by non-State actors, including the international financial institutions (IFIs). The positive impact of microcredit on poverty reduction had been well

documented. The various measures taken by Malaysia to enhance the access of poor people to local microcredit facilities had contributed significantly to progress on the country's poverty eradication programme.

33. The speaker outlined Malaysia's poverty reduction experience. In 1957, when independence was achieved, almost 70 percent of the population had been living below the poverty line. Poverty eradication had been declared a basic national development objective. As a result of Malaysia's integrated approach to poverty reduction through policies adapted, if necessary, to the country's particular economic and social characteristics, the incidence of poverty declined from 70 percent in 1960 to 52.4 percent in 1970 and to 5.1 percent in 2002. The Third Outline Perspective Plan for the period 2001-2010 targeted a reduction of the incidence of hard-core poverty to zero by 2009. Specific programmes had focused on such groups as farmers, low-income households and single mothers. Malaysia had been offered assistance, guidance and cooperation by a number of United Nations agencies including the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO), the United Nations Population Fund (UNFPA) and the Bretton Woods Institutions (BWIs).

34. **Mr. Hachani** (Tunisia) said that his delegation aligned itself fully with the statement made by Qatar on behalf of the Group of 77 and China. He recalled that, in the general debate of the General Assembly, the Heads of State and Government had inter alia underscored the need to rebalance the political and economic world order and to refocus current and future endeavours on the human dimension, identifying a number of challenges - particularly poverty - that stood in the way of development, security and stability.

35. There was currently a clear global consensus over the challenge of eliminating poverty, and the international public opinion was increasingly rallying to that cause, but that awareness ought to translate into appropriate forms of action and the commitments that had been made ought to be followed by specific acts.

36. Poverty was not a fatality but resulted from a multi-tiered economic development and was the main symptom of a world order rife with disparities and contradictions. Poverty reduction was a challenge facing the international community as a whole, and consequently poverty could be combated only through a global partnership based on shared responsibility, cooperation and solidarity.

37. Accordingly, poverty related problems should be viewed in a global context and addressed through an integrated approach to development, involving all stakeholders. Without genuine political resolve and an international environment conducive to development, poverty reduction would be very limited and fragmentary, while many developing countries would be unable to improve their social and economic condition, let alone attain the Millennium Development Goals (MDGs).

38. The international community could promote poverty reduction by placing development at the centre of the multilateral trade negotiations of the World Trade Organization (WTO): implementation of the Doha Development Agenda would progressively balance international trade and provide new ways of fostering development in the area of commercial exchanges. The international community should also agree on a concerted and structured international approach to reducing the developing countries' external debt, which constituted a major obstacle to the development process. Negative transfers of financial resources were detrimental to economic growth and consequently aggravated poverty. Moreover, developed countries should honour their commitment to provide official development assistance (ODA) equivalent to 0.7 percent of their gross domestic product (GDP), thereby contributing to poverty reduction and the attainment of the MDGs. Furthermore, given the impact of demographic factors on development, the international community should ensure that adequate funding was available for carrying out the International Conference on Population and Development (ICPD) Programme of Action, an imbalanced implementation of which would further aggravate existing disparities between regions.

39. In view of the need to tap new funding sources and identify novel mechanisms for action, Tunisia welcomed the creation of the World Solidarity Fund by the General Assembly and hoped that the General Assembly would take steps to make it operational and that it be would be used for the purposes of the Millennium Project. The General Assembly should establish a system of coordination between the old and the new poverty-reduction mechanisms.

40. The reference framework for implementing the MDGs consisted of the Monterrey Consensus, reached at the International Conference on Financing and Development, and the Plan of Implementation of the World Summit on Sustainable Development. Tunisia awaited with interest the conclusions and recommendations that the Secretary-General would formulate on the basis of the report to be submitted by the experts participating in the Millennium Project.

41. Convinced that promoting a culture of solidarity and the spirit of sharing was part of combating poverty, the Group of 77 and China proposed that 20 December should be designated the International Day of Human Solidarity.

42. **Ms. Camacaro** (Venezuela) said that her delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. The Venezuelan Government pursued a poverty reduction policy which, launched in 1999, had lent reality to the Bolivarian dream of empowering the poor. The policy was based on the principle that the people should participate politically in exercising control over the State with a view to building a society thoroughly respectful of civic rights.

43. In view of the observance of the International Year of Microcredit 2005, the Venezuelan Government had taken legislative and financial steps to promote microcredit throughout the country. A law on microfinance was enacted in 2001 and Venezuela's economic and social development plan contained measures related to microcredit. The microfinance programmes designed by the Government aimed at the development of the cotton, textile and garment industries and the promotion of small and medium-sized businesses and manufacturing units, and included a programme entitled "Set up your own business", a North-South agricultural seed capital project for the period 2003-2004, and schemes for financing cooperatives and microenterprises on preferential terms of credit. The Government had encouraged the establishment of cooperatives through microcredit, thereby enabling marginally viable activities to participate in the country's economic development, particularly in agriculture, a sector with had substantial gaps in Venezuela.

44. In connection with the International Year of Microcredit 2005, Venezuela would release a publication on microcredit, increase the amount of microcredits available to vulnerable groups, including the indigenous communities, and organize awareness raising activities. The Industrial Bank of Venezuela (BIV) would invest about US$65 million in such initiatives.

45. All of those programmes were part of the Government's strategy towards enhancing poor people's access to economic resources, credit and other types of assistance useful in setting up small and medium-sized enterprises (SMEs).

46. The Venezuelan Government intended to fulfil the commitments that it had made at major United Nations conferences and summits, particularly the pledges given in the Millennium Declaration. Setting poverty eradication as its main target, it had formulated a comprehensive strategy addressing the economic, social, institutional and organizational sectors.

47. In the social sector, the Government had launched national literacy programmes under which the number of school buildings had increased from 559 in 1999 to 2,896 in 2004, the number of secondary education graduates had risen and the dropout rate in primary and secondary education had receded. Universities and technology-oriented educational facilities had been set up and scholarships had been extended to disadvantaged students.

48. In the area of health, the Government had launched initiatives in the areas of anti-drug fight, assistance to older persons, medical facility funding and modernization, purchase of medication and aid to the country's most disadvantaged groups. As a result of comprehensive action in respect of medical services, the infant mortality rate had decreased.

49. Through the ministry responsible for housing and infrastructure, the Government addressed problems in that area throughout the country by increasing the funds allocated to housing and implementing a housing construction programme in cooperation with local authorities.

50. Venezuela strove to strengthen South-South cooperation. To that end, it had contributed US$1 million to the Pérez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries.

51. Convinced that national efforts alone did not suffice for attaining the Millennium Development Objectives (MDGs), Venezuela supported

strengthening the United Nations system, revitalizing South-South cooperation and urgently reforming the multilateral financial and trading system - pursuant to a number of resolutions and decisions adopted by the Member States - in a new spirit of international cooperation.

52. **Mr. Dembélé** (Mali) said that his delegation aligned itself fully with the statement made by Qatar on behalf of the Group of 77 and China. Convinced that any achievement in the area of sustainable development required an internal effort in the first place, the Government of Mali had made poverty reduction a top priority in its action since 1997. It had adopted a Poverty Reduction Strategy Framework (PRSF) setting out development guidelines and clarifying the development policies and strategies.

53. In order to ensure strong and sustainable growth as a means of reducing poverty, the national short- and medium-term strategy comprised three mutually complementary priority areas or pillars, institution building, improved governance and enhanced participation, human development and broader access to basic social services, and infrastructure development and productive sector support. The 2002-2006 PRSF included a 2002-2004 priority action plan aimed at reducing the incidence of poverty from 63.8 percent to 47.5 percent by 2005.

54. Faithful to its long tradition of solidarity and sharing, Mali had instituted ten years earlier the "month of solidarity and combating exclusion", observed in October. In 2004, that event had focused on "the daily practice of solidarity" and had comprised four theme weeks on "older persons", "therapeutic issues", "the disabled" and "social and economic solidarity".

55. The Malian Government had set up a National Solidarity Fund and the Malian Bank of Solidarity. The fund should attenuate disparities by providing decent living conditions, especially for the indigent, including meeting such basic needs as access to healthy and adequate food, drinking water, basic health care, education and acceptable housing. The bank extended loans on more favourable terms than commercial banks and participated in refinancing decentralized credit operations.

56. Based on the relevance of microfinance to poverty reduction and on the Millennium Development Goals (MDGs) and the New Partnership for Africa's Development (NEPAD), the Malian Government had formulated and adopted a national strategy including an action plan for the development of microfinance. Under that plan a key role for the period 1998-2002 was ascribed to microfinance institutions in stimulating income- and employment-generating activities and in enhancing the access of the poorest rural and urban population groups to minimum financial services. In that period, about 800,000 persons had directly or indirectly borrowed funds from microcredit institutions, the number of access outlets had increased by 39 percent, and the number of counters had increased from 151 to 706.

57. Cooperatives, non-profit health insurance companies and village associations also contributed to poverty reduction by offering their participants credit facilities or appropriate services.

58. The participants in the high-level debate of the 2004 Economic and Social Council (ECOSOC) substantive session had considered microcredit an effective means for mobilizing external and internal resources capable of contributing effectively to poverty reduction. By declaring 2005 the International Year of Microcredit 2005, the General Assembly was putting across a strong message. Countries with microcredit institutions could profitably use that period to further improve the services that their credit system provided to the population.

59. Mali launched an appeal for strengthening the partnership entered into by the wealthy and the poor countries in order the combat poverty with a view to attaining the MDGs.

60. **Ms. White-Thoppil** (Canada), speaking on the issue of women and development, stated that the international community was deepening its understanding of the linkages between gender equality and social and economic progress. It had been recognized that ignoring gender disparities affected people's well-being and ability to contribute to their communities, and a country's capacity for sustainable growth, governance and poverty reduction. Canada considered gender equality to be a goal in itself, as well as fundamental to the achievement of Canadian and international development objectives such as the Millennium Development Goals (MDGs) and the Beijing Platform for Action.

61. Canada was a staunch supporter of the MDGs and believed that they provided a common framework

within which the international community could collaborate with other donors to reduce global poverty. Canada supported the Millennium Declaration's emphasis on the importance of promoting gender equality and empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate truly sustainable development. It was increasingly understood in the international arena that the issue of gender equality could not be limited to a single development goal: without progress towards gender equality and empowerment of women, none of the MDGs would be achieved.

62. Understanding the importance of gender equality to sustainable and appropriate development efforts, Canada's foreign policy statement identified it as one of six programming priorities for overseas development assistance. The crucial role that gender equality played in sustainable development was also reflected in the gender equality policy of the Canadian International Development Agency (CIDA), which promoted three key goals: furthering women's equal participation with men as decision-makers in shaping the sustainable development of their societies; supporting women and girls in the realization of their full human rights; and reducing gender inequalities in the access to and control over the resources and benefits of development.

63. Over the preceding 25 years, Canada had worked internally and with partners, other donors, and international institutions, to promote global dialogue on gender equality and to ensure that gender equality issues were addressed in all of its international development policies, programmes and projects. Increasingly, it had focused its efforts on ensuring that women and girls participated on equal terms with men and boys in the social, cultural, political and economic decisions that affected their lives.

64. Canada supported the integration of a gender perspective throughout the Triennial comprehensive policy review of operational activities for development of the United Nations system, welcomed the World Survey on the Role of Women in Development and looked forward to the special session of the General Assembly entitled "Women 2000: gender equality, development and peace for the twenty-first century" in 2005 in order to re-commit to the Beijing Declaration and Platform for Action.

65. **Mr. Tekle** (Eritrea) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. He recalled that in the June 2003 Practice Note on Poverty Reduction and Human Rights, UNDP had stated that poverty was "a denial of human rights" and that "the principles of equality and non-discrimination addressed one of the root causes of poverty". It was for that reason that the challenge - posed in the Millennium Declaration - of liberating half of the world's poor from their misery by 2015 was timely and appropriate.

66. The eradication of poverty had been recognized as the key to the successful exercise of the right to development. About one third of the world's population lived in abject poverty and one fourth of the poor suffered from easily preventable diseases, not to speak of the devastating effects of HIV/AIDS. In an age of unprecedented global prosperity, those facts constituted an unacceptable human tragedy.

67. The rights-based approach was widely supported by the international community, particularly through the Millennium Declaration and the outcome texts of subsequent international conferences, which had become the basis for specific mandates received by the United Nations, the Bretton Woods Institutions (BWIs) and other international development agencies.

68. The operationalization of the right to development should be people-centred. Intergovernmental organizations (IGOs) and non-governmental organizations (NGOs) should focus on the achievement of human security, broadly defined. The empowerment and participation of the people, especially at grassroots level, were crucial to any effective development effort.

69. In the struggle to reduce and eventually eliminate poverty, appropriate consideration should be given to the creation of an enabling international environment ensuring equal development opportunities. Globalization, the debt burden and the current trade arrangements - particularly on agricultural products - which had been reached under the auspices of the World Trade Organization (WTO) had considerably aggravated poverty and hunger. By restructuring the agricultural trade agreements, arranging for debt relief and increasing development assistance, the wealthy countries could assist the national governments and the international institutions concerned in establishing a system ensuring food security.

70. On the other hand, it was only fair and honest to recognize, by and large, the wealthy countries bore

only a moral responsibility based on enlightened self-interest and that they had assumed that responsibility willingly and sincerely. It was also for their own good that the poor countries in the developing world must take ownership and control over their destinies. The primary political and moral duty of any responsible Government was to feed the country's population. Shifting the burden of calamities or other problems besetting its people onto others was not only immoral, unfair and irresponsible, but also imprudent, because it could establish a culture of dependency. Suggesting that donor countries should be blamed for famine brought about by the Government of the country affected was sheer folly, especially if that Government had been spending billions of dollars on armaments.

71. Good governance was a sine qua non for development. It was often assumed that poverty, hunger and famine were caused by natural disasters, environmental degradation and the inadequacy of agriculture as a source of livelihood. That was correct, but they also resulted from government decisions on the nature and organization of the State, the system of government, the political, economic and social policies and the priorities set in connection with the distribution of land and other resources, services and infrastructure. State policies could aggravate or alleviate poverty, hunger and famine. When in a State the Government deliberately exposed major sections of its population to the ravages of hunger and famine, and blamed the calamity on the international community, the viability of that State was at stake.

72. One the worst follies of decision-makers was the decision to engage their countries in a conflict. The economic and social burdens of war and its cumulative effect on States were evident: unlike investment in education, health services and infrastructure, military expenditures did not produce wealth. If it was true that hunger exacerbated social unrest and lead to conflict, it was also true that conflict produced poverty and hunger or aggravated them.

73. **Mr. Chem** (Cambodia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. To strengthen political stability and social order, the new Government of Cambodia was implementing a "rectangular strategy" for development, focusing on good governance to reduce abuse and to ensure that the views of minorities and the most vulnerable sections of the population were fully heard and taken into consideration in the decision making process.

74. The Cambodian Government had also launched an action plan to combat corruption, carry out a legal and judicial reform; reform public administration through decentralization and devolution, and streamline the armed forces, mainly through demobilization.

75. Although its incidence had somewhat declined, poverty was still an economic and social problem. In Cambodia, poverty tended to be predominantly rural, associated with landlessness or small farm size, limited diversification of economic activities, large household size, little formal education and impossibility to keep abreast of the rapid evolution of the world economy. Increasing agricultural production and employment was a key to effective poverty reduction. Moreover, rural smallholders should diversify their economic activities and have access to microcredit. At the same time, the country should maintain macroeconomic stability while promoting sustainable and equitable economic growth despite a number of challenges related to public finance, including heavy dependency on official development assistance (ODA), a narrow tax base and weak expenditure management.

76. Accordingly, the Cambodian Government had set the following national poverty reduction strategy objectives: strengthening peace, stability and social order by implementing specific measures aimed at enhancing the rule of law and promoting respect for human rights and democracy in order to create an environment of political security conducive to long-run sustainable development; ensuring strong and sustainable economic growth; ensuring that the benefits from economic growth were distributed equitably between the rich and the poor, urban and rural areas, and men and women; and promoting a sustainable environmental management and use of natural resources.

77. Eager to establish gender equality and improve the status of Cambodian women, the Government had formulated a strategic plan aimed at enhancing their role and social status, building their capacities in all sectors, changing social attitudes and ensuring that women participated in nation building actively and on equal terms with men.

78. To encourage the development of small and medium-sized enterprises (SMEs), the Government

provided medium- and long-term loans, strove to eliminate smuggling, streamlined company registration and start up procedures, provided support to new industrial units for a certain period, promoting linkages between SMEs and large enterprises, and strengthened the legal framework with new laws on factories, industrial zones, patents and inventions, and industrial safety.

79. Poor and developing countries faced serious challenges, such as reduced ODA, the huge burden of external debt, the need to protect the environment, and diseases such as HIV/AIDS and SARS. Alone, they were unable to cope with poverty, which bred violence and terrorism. They needed international assistance in the form of transfer of resources and know-how in order to catch up with accelerating globalization and to bridge the digital divide among peoples and nations.

80. **Mr. U Aung Lynn** (Myanmar) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Despite notable progress in science and technology, the attainment of the Millennium Development Goals (MDGs) by 2015 was improbable in view of the overwhelming gap between the haves and have-nots and the digital divide. Myanmar looked forward to the day when innovative financing mechanisms, based on the initiative taken jointly by Brazil, France, Chile and Spain, could be developed to assist in poverty reduction.

81. Poverty eradication was a priority in Myanmar's development strategy. As its economy was largely based on agriculture, the Government had placed the emphasis on the increase and diversification of agricultural production. To that end, it had built an extensive network of dams and reservoirs end encouraged farm mechanization and large-scale farming, thereby ensuring greater food security, promoting commodity exports and alleviating poverty.

82. Industrial development remained relevant to Myanmar's development strategy. The establishment of industrial zones throughout the country had created employment opportunities, promoted the viability of private enterprises, helped to improve the standard of living and narrowed the development gap between regions. Moreover, the Government endeavoured to consolidate the rural water supply and transportation systems and to integrate border and marginalized areas into the mainstream of the economy.

83. Microfinance was not new to Myanmar, where it had been practiced for some time and provided farmers with small-scale credit to purchase agricultural inputs. To improve the living conditions of the poor, including the vulnerable and disadvantaged groups, a microfinance project, consisting in granting them small loans to set up microenterprises, had been recently launched and the records showed that most of the borrowers were women.

84. Myanmar contributed to poverty reduction at the regional level by participating in the ASEAN Plan of Action on Rural Development and Poverty Eradication, the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMCCS) and the Bay of Bengal Initiative for Multi-Sectoral Technical Cooperation (BIMSTEC).

85. **Mr. Sandoval** (Colombia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. He stated that, in view of the insufficient and ineffective public expenditures, external debt burden, inaccessibility of the markets of industrialized countries and reduced official development assistance (ODA), the developing countries could hardly hope to attain the Millennium Development Goals (MDGs). To reduce poverty, the authorities should provide good governance, stem corruption, strengthen the rule of law, ensure a more equitable distribution of income, widen the social security cover, promote the participation of the population and stimulate productivity.

86. In that unequal struggle, the developing countries needed backing in the form of a global partnership. That presupposed eliminating trade barriers, opening the markets of industrialized countries to developing country products, waiving the debt, restructuring the international financial system and creating a global economic situation conducive to development and poverty reduction.

87. In view of the problems faced by developing countries, the World Bank (WB) and the International Monetary Fund (IMF) should opt for more supple policies to enable them to invest in social services and infrastructure and to meet their basic needs.

88. Medium income countries derived few specific benefits from globalization and, not being entitled to international assistance, found it hard to make poverty recede.

89. The reduction in official development assistance (ODA) compelled many countries to postpone or cancel their social programmes, thereby damaging the most vulnerable groups' prospects of escaping from poverty.

90. Basing economic and social recovery efforts on poverty reduction, the Colombian Government endeavoured to broaden access to education, to support women heads of household, reduce unemployment and widen the social security cover.

91. A microcredit programme had been launched in the urban and rural regions, particularly in areas where displaced persons resettled. Despite heavy expenditures incurred in connection with demobilization, reintegration, reconstruction of infrastructure destroyed by terrorist attacks and creation of mechanisms to combat terrorism, Colombia had managed to achieve progress in the social sector, attract investments, generate employment and extend social security benefits to more people.

92. **Mr. Subedi** (Nepal) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Poverty had become destiny in many parts of the world, especially in the least developed countries (LDCs) and the landlocked developing countries (LLDCs). It was adversely affecting human development, equality, justice and human dignity, causing hunger, malnutrition, disease, lack of education and unemployment, which were compounded by natural disasters and internal conflicts.

93. Many of the developing countries, including Nepal, could not tackle the problems of poverty and development head-on. Nepal strongly advocated a rule-based, open, equitable and non-discriminatory multilateral trading system that would ensure a free and fair flow of all LDC products to the global markets.

94. Nepal fully supported the UNIDO strategy described as "productivity enhancement for social advance", because economic recovery and industrial development were essential for alleviating poverty. In respect of microcredit and microfinance, despite some progress in that area, the poorest of the poor and women had not been the beneficiaries of such facilities.

95. Although women had an important role to play in development, gender disparities persisted in the labour market. Access to both formal and extracurricular education was crucial to women's empowerment.

96. Nepal welcomed Brazil's initiative against hunger and poverty and the extension of the Heavily Indebted Poor Countries (HIPC) Initiative. The developed countries and the international financial institutions (IFIs) should fulfil their commitment in respect of assistance, international trade and external debt.

97. Nepal was going through a difficult phase. The insurgency had a devastating effect on the development infrastructure in the hilly and remote areas of the country and aggravated its economic problems. In order to reduce poverty, the Nepalese Government promoted gender equality and the empowerment of vulnerable groups, while striving to achieve economic recovery and sustainable development.

98. **Ms. Lai Wei Lin** (Singapore) said that her delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. The empowerment of women - who formed half of the population - and their full participation in the development effort were crucial prerequisites to reducing poverty and achieving sustainable development. Singapore had long advocated a policy of equal opportunities for both men and women, based on the principle of meritocracy, and as a result the status of Singaporean women had improved significantly, especially in respect of education and employment.

99. With no natural resources, Singapore was dependent on its human potential. Accordingly, the literacy rate for resident females had been raised, women were getting a better education and primary education had become compulsory in 2003. Over the years, ever more Singaporean women had been entering the workforce, making inroads into traditionally male dominated sectors, such as information technology (IT) and engineering, rising to key decision-making positions and participating in politics.

100. To help women balance career requirements with family needs, the Singapore Government had implemented such specific measures as extending maternity leave and tax reductions for parents and child benefits. Female civil servants could avail themselves of schemes such as part-time employment for up to three years or tele-working, and were entitled to three days of paid marriage leave. Long-standing prejudices and traditional views on the role of women still

existed, but, as new women's role models emerged, social attitudes were changing.

101. **Mr. Kogda** (Burkina Faso) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China and praised the quality of the reports prepared by the Secretariat for consideration by the Committee.

102. Poverty was a multilayered concept requiring a multidimensional approach. Its monetary dimension, defined in terms of income, was readily quantifiable. Aspects of poverty other than inadequate income, such as lack of access to productive resources or to some social services - social exclusion - had been identified at the World Summit for Social Development and required a qualitative perception of poverty.

103. Poverty's multiple facets implied that it was not only an economic and social issue, but also amounted to a human rights violation. In fact, poverty and more generally inequality undermined social stability and threatened basic freedoms. Conversely, eliminating all forms of discrimination and exclusion was a decisive step towards eradicating the deeper causes of poverty.

104. In Burkina Faso, poverty reduction efforts focused on the rural population, which accounted for more than 92 percent of the poor. Support for the diversification of income sources, such as agriculture and livestock breeding, was crucial. Related initiatives aimed at reducing disparities in accessing physical assets, such as land, equipment and financial resources, and human assets, such as education, health care and food. As a result of a number of improvements, some more noticeable than others, poverty had remained stable overall and had slightly receded in the rural areas, although that reduction had been offset by an upsurge of - especially monetary - poverty in the urban areas. Corrective structural reforms undertaken by the Burkina Faso authorities included putting in place appropriate financing instruments which, although hardly sufficient to fully meet the needs of the targeted population groups, had nevertheless allowed, inter alia, to fund some projects, promote small and medium-sized enterprises (SMEs) and generate employment. The authorities planned to step up their efforts in that area by participating actively in the observance of the International Year of Microcredit 2005.

105. At the regional level, African leaders had reaffirmed their resolve to play a pivotal role in the formulation of economic and social policies. At the African Union Extraordinary Summit on Employment and Poverty Alleviation, held in Ouagadougou on 8 and 9 September 2004, they had noted that macroeconomic stability and sustainable growth were necessary but insufficient conditions for poverty reduction, and had agreed to focus the economic and social policies implemented throughout the continent on employment. To attain the goals that had been set, prioritizing its economic options with a view to improving the living conditions of the population, Africa needed assistance from the international community. It was therefore necessary to support mechanisms such as the World Solidarity Fund, which should be provided with adequate resources to assist the countries grievously afflicted with poverty.

106. In view of the high-level meetings to be held in September 2005 in order to review progress in achieving the Millennium Development Goals (MDGs), Burkina Faso launched an appeal to the international community for engaging in specific discussions and appropriate activities by that date.

107. **Mr. Gass** (Switzerland), speaking on agenda item 89 (b), welcomed the fact that the Secretary-General's report on that item focused on women and international migration, noting with satisfaction that the issue of international migration was no longer perceived as gender neutral. He also recalled that at the fifty-eighth session of the General Assembly, 18 women Ministers of Foreign Affairs, having held a meeting on the question of "Women and Migration", had addressed a letter to the Secretary-General requesting him to further promote gender sensitive debate on migration and trafficking and to take appropriate steps to address specific aspects of women's migration in general and trafficking in women in particular. The Secretary-General's report outlined the determining factors underlying women's migration and the positive and negative effects of those factors. Despite growing awareness of migration's gender specific aspects and the difficulties confronting migrant women, effective solutions to those problems were still lacking.

108. Paragraph 23 of the report referred to the various international legal instruments on migrant women. Accession to and ratification of those conventions was important, and there was still a great deal that should be done to ensure their implementation. In the countries of destination, experience had revealed some discrepancies between national legislation and human rights. For instance, when a female migrant's residence

permit depended on her husband's status, in cases of domestic violence she could not leave her husband without loosing the permit and consequently had to choose between staying with her husband, and bearing the violence, or residing in the country illegally. The same dilemma faced many domestic workers whose work permit totally depended on their employer's goodwill. Switzerland therefore welcomed the recommendations - at the end of the report - which stressed the need to align national legislation with international obligations.

109. There was increasing awareness of the potential role of migrant women's remittances in reducing poverty. Since migrant women usually held low-paid jobs and to enhance the impact of the remittances, transaction costs should be reduced. Furthermore, the rights of migrant women in the workplace should be protected and compliance of their terms of employment with International Labour Organization (ILO) standards - such as minimum wages - should be ensured.

110. Migrant women's physical and moral integrity or even life were in jeopardy, especially in circumstances of irregular migration. They could fall prey to trafficking, sexual exploitation or social slavery. Considering trafficking in women and children as a major manifestation of inequality, Switzerland ascribed cardinal importance to combating that phenomenon effectively. Switzerland was seriously concerned over the increasing number of women and children trafficked for sexual, domestic or labour exploitation.

111. Lastly, the Swiss delegation welcomed the recommendation - in paragraph 89 (d) of the report - which stressed the importance of sex-disaggregated data for understanding the causes and processes of migration. Accordingly, Switzerland encouraged a more systematic national data collection and supported initiatives aimed at improved data processing for the purpose of formulating and implementing gender sensitive strategies that promoted migration policies based on women's rights.

112. **Mr. Atiyanto** (Indonesia) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Indonesia was fully convinced of the importance of fulfilling the commitments and achieving the goals contained in the Millennium Declaration, particularly those related to the eradication of poverty, and called for the full implementation of the Monterrey Consensus and the Johannesburg Plan of Implementation. It was therefore important that the international community should take all necessary steps to comprehensively solve the external debt problem and to enhance the developing countries' access to markets. Furthermore, the effective participation of those countries in international decision-making processes and a universal, rule-based, open, non-discriminatory and equitable multilateral trading system coupled with meaningful trade liberalization could stimulate development.

113. As part of that thrust, Indonesia placed efforts to promote microcredit high on its national agenda, based on growing evidence that microcredit and microfinance had a vital role to play globally in the context of achieving the Millennium Development Goals (MDGs), especially in relation to poverty reduction.

114. First and foremost, an enabling environment should be provided, empowering the poor and enabling them to fully utilize their productive potential. Governments in developing countries lacked the institutional capacity to provide proper guidance and supervision on microcredit and microfinance. For full benefits to be gained, the poor should be fully informed about that type of financial facility. Governments should be encouraged to adopt policies that supported access to microcredit, the development of microfinance institutions and related capacity building. It was also important that microfinance institutions, while trying to ensure their own financial viability and profitability, should always take into account the needs of the poor in terms of strengthening and improving the economic and social fabric of poor communities.

115. The observance of the International Year of Microcredit 2005 offered a good opportunity to raise awareness of the importance of microcredit and microfinance in the eradication of poverty, to share good practices and to promote initiatives that supported sustainable pro-poor financial services in developing countries. The International Year of Microcredit 2005 should be viewed as part of a continuing process to formulate effective approaches for sustainable microfinance development and not as an isolated event. A systematic follow-up at all levels to the Year would help to keep up the momentum gained. As part of the observance, the international community should provide greater support for national microcredit and microfinance capacity building in view of the tangible excess of demand over supply in that area. Indonesia

would actively participate in the observance of the International Year of Microcredit 2005. In that connection, the representative of the Indonesia People's Bank (BRI) would share his institution's experience in developing microcredit and outline BRI's success in that area.

116. **Mr. Zoubi** (Jordan) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China, and recognized in particular the crucial role that microcredit and microfinance could play in the eradication of poverty, promotion of gender equality, empowerment of vulnerable groups and development of rural communities. In that regard, the speaker wished to highlight two related events that had taken place in Jordan in 2004. The first event was the signing in May of an agreement between the Government of Jordan and the Arab Gulf Programme for United Nations Development Organizations (AGFUND) concerning the establishment the National Bank for Financing Small and Medium Projects. The bank's policies would be based on the principle that the poor needed no charity but a tool that would enable them to help themselves, and give priority to women borrowers, as their success would have a ripple effect on their families and hence on society as a whole.

117. The second event had occurred on 10 October, when the city of Amman had hosted the 2004 Middle East / Africa Region Microcredit Summit Meeting of Councils. An initiative to set up an Arab-African Microcredit Fund had been launching on that occasion. The Summit had called upon the Arab League to include poverty alleviation in the agenda of upcoming Arab summits as a priority item, and upon banks catering to medium and small businesses to finance sustainable projects rather than to fund one-time giveaways.

118. The Queen of Jordan had been invited to serve as a Global Emissary for the International Year of Microcredit 2005 with a view to raising awareness of the importance of microfinance for poverty eradication and mobilizing broad support for the goals of the Year. In her statement at the Summit, the Queen had affirmed that microfinance enabled individuals to enhance their lives and that it was not a reward or privilege, but a right that should be enjoyed by all members of society.

119. **Mr. Mnisi** (Swaziland) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. The Government of Swaziland shared the view of the international community that eradicating extreme poverty was a top priority. That goal comprised a number of important elements, none of which could be overlooked, if the Millennium Development Goals (MDGs) were to be achieved. In addition to poverty reduction, the Swazi Government also attached great importance to the eradication of HIV/AIDS and the creation of employment.

120. Towards achieving the target aimed for, which consisted in reducing by half the proportion of people living in extreme poverty by 2015, the Swazi Government supported initiatives and activities carried out by United Nations specialized agencies and involving the preparation and implementation of various projects in Swaziland and other landlocked countries (LLDCs) and least developed countries (LDCs) for the development of, inter alia, small and medium-sized enterprises (SMEs) and agricultural units. The speaker stressed the effectiveness of the ongoing coordination between the Swazi Government, non-governmental organizations (NGOs), civil society together and all United Nations agencies currently working towards development and poverty reduction in Swaziland.

121. In 2002, the Government had addressed the issue of poverty in an interim Poverty Reduction Strategy Paper (PRSP) focusing on poverty, HIV/AIDS, unemployment and social welfare. That document was currently being comprehensively revised to reflect the country's strategies on all aspects of poverty. In that context, the Government realized the necessity for a policy shift towards pro-poor spending.

122. In December 2003, the United Nations Country Team and the Swazi Government had jointly produced the first progress report on the attainment of the MDGs. The report had identified challenges and opportunities associated with each goal and provided a basis for assessing the progress achieved. To monitor that progress and the effectiveness of poverty reduction strategies, a Poverty Reduction Unit had been set up in the Ministry of Economic Planning and Development. The Government was currently tackling the issue of resources available for programmes aimed at providing sustainable and equitable solutions to the problem of poverty.

123. The Government had formulated a National Development Strategy (NDS) focused on poverty reduction. The NDS formed the basis for the Government's economic and social reform agenda. It was a short-term action programme with measurable targets, aimed mainly at accelerating economic growth.

124. Furthermore, the Government has created credit schemes geared towards entrepreneurship and income generation for the poor, and had set up, in the Ministry of Enterprise and Employment, a special unit for SMEs, which was responsible for creating an enabling environment conducive to full exploitation of the potential of domestic investors. The Government planned to stimulate the growth of SMEs in the country so that they could function as a powerful engine that would enhance sustainable development.

125. In combating poverty, Swaziland has encountered many problems as a result of its difficult social and economic situation, characterized by high unemployment and exacerbated by the increasing prevalence of HIV/AIDS and severe drought and storms that had adversely affected agricultural production.

126. The Secretary-General's report (A/59/138) affirmed that, on the basis of a survey conducted in 30 Sub-Saharan Africa countries, to achieve the poverty related MDGs by 2015 annual gross domestic product (GDP) growth rates of 2 to 6 percent per capita were required and landlocked economies should grow by more that 5 percent p.a. Swaziland's main concern in that connection was intense competition - especially from South Africa and Mozambique - for investment in the region. That competition had slowed down economic growth, reduced foreign direct investment (FDI) and hindered job creation in the domestic economy.

127. The founding of the New Partnership for Africa's Development (NEPAD) and of the African Union (AU) provided clear evidence that African countries were moving in the right direction. Swaziland encouraged intensive dialogue between the developing countries and the international community in support of NEPAD throughout the African continent; and welcomed UNIDO's Africa Productive Capacity Initiative (APCI).

128. The Swazi delegation appreciated United Nations efforts in connection with assistance to African countries for dealing with poverty. Swaziland was convinced that, with the support of the international community and in a spirit of true partnership, African countries would attain their objectives and succeed in the initiatives that they undertook in order to raise the living standards of their population. Swaziland encouraged all African countries to make concerted efforts and share ideas that would help the continent to eradicate extreme poverty.

129. **Mr. Likwelile** (United Republic of Tanzania) said that his delegation aligned itself with the statement made by Qatar on behalf of the Group of 77 and China. Widespread poverty was still the main challenge to development in Tanzania and other developing countries. The multidimensional nature of poverty, which involved income related and non-income factors, required a comprehensive approach. The adoption of the Millennium Development Goals (MDGs) reflected that multidimensionality and the need for solidarity and resolve at the level of the international community. All countries should collectively identify appropriate lines of action, building on strong partnerships and cognizant of the existing unique national and regional circumstances.

130. In 2000, Tanzania had developed a Poverty Reduction Strategy Paper (PRSP) as a national guiding framework for the fight against poverty. The priority sectors identified in the PRSP had been primary education, basic health care, water and sanitation, rural roads and agriculture. The PRSP had also identified HIV and AIDS and good governance as priority cross-cutting issues. After three years of PRSP implementation, there had been achievements in all areas, but challenges remained: poverty levels were still high and macroeconomic improvements did not sufficiently translate into better living conditions for the poor. Finding ways to ensure that growth benefited the poor had been a main concern.

131. In the light of experience gained through the implementation of the first strategic paper (PRSP), Tanzania had developed a second generation PRS, known as the National Strategy for Growth and Reduction of Poverty (NSGRP). The new strategy provided for a priority outcome approach and was guided by the principles of national ownership, comprehensive view of poverty, coordinated partnerships and equity. It comprised three pillars: growth and reduction of income poverty; improvement of quality of life and social well-being; and good governance and accountability. It also effectively mainstreamed the MDGs and other regional and

international obligations and targets set out in initiatives such as the New Partnership for Africa's Development (NEPAD) and the Brussels Programme of Action (BPoA).

132. To ensure that the economically active poor took part in the growth process, it was necessary to enable them to generate their own incomes. That required specific, targeted measures. In that connection, the role of financial services, microcredit and microfinance was crucial, because they could enhance employment opportunities, improve incomes and reduce vulnerability to crises.

133. In Tanzania, more than 60 percent of microcredit and microfinance beneficiaries were women. The Government had developed a national policy on microfinance, established mechanisms providing small entrepreneurs with access to low cost credit (SELF) and encouraged the establishment of savings and credit cooperatives (SACCOS).

134. Poverty reduction required, inter alia, honouring international commitments - related to implementation, monitoring and financing - under the Monterrey Consensus and the Johannesburg Plan of Implementation. To monitor achievements, it was necessary to progress on plans for harmonisation, alignment and attainment of results, underscoring, in the process, the need for developing and using existing country monitoring systems, and for national capacity building.

135. **Ms. Adriaanse** (International Federation of Red Cross and Red Crescent Societies - IFRC) said that the analyses provided in the Secretary-General's report (A/59/326) with regard to the impact of microcredit and microfinance on poverty reduction were interesting, particularly to the IFRC member societies. For instance, microcredit was an important element of the work that the Danish Red Cross supported in Vietnam and Laos. The Secretary-General's report described microcredit as "a development tool aligned with the paradigm shift away from the provision of charity to poor people towards promotion of their access to financial services" and affirmed that beneficiaries were often "better served with targeted assistance or a combination of loans and assistance, or capacity-training skills". That approach closely resembled the way in which IFRC member societies worked in practice. There was admittedly need for great care when providing such forms of assistance, but, when they were well conceived and managed, their results could be highly beneficial for extremely vulnerable communities. The shift from charity to empowerment should be considered not merely as a fact of modern life, but as a tool that could enable communities to enhance their own dignity and build their own capacities for sustainable growth. IFRC member societies would be eager to be involved in the partnerships envisaged during the International Year of Microcredit.

136. The Secretary-General's report on globalization and interdependence assessed correctly the multidimensional relationship between macroeconomic policies and social development. The Federation intended to participate actively in the United Nations debates on the economic and social consequences of the withdrawal of public funding for important social activities, especially in the areas of health and education. Vulnerability was not decreasing. The need for providing social services and other forms of care was not decreasing either. But government funding was decreasing, and so was the pool of providers beyond Governments that had been delivering that care. The extended family was a diminishing social asset in virtually all countries. That was why so much policy and programme activity had been suggested during the International Year of Volunteers (IYV) 2001 to reinvigorate the volunteerism sector, and why IFRC, UN Volunteers (UNV) and the Inter-Parliamentary Union (IPU) intended to publish for Parliaments a Guidance Note on Volunteerism and Legislation.

137. **Mr. Husain** (Organization of the Islamic Conference - OIC), speaking on agenda item 89 (b) and referring to the recommendations contained in paragraphs 87-89 of the Director-General's report (A/59/287), concurred that it was necessary to formulate policies that enhanced migrant women's employment opportunities, access to safe housing, education, language training, health care and other services in the host country, and to develop educational and communications programmes to inform migrant woman of their rights and responsibilities under international and national laws, taking into consideration their cultural and linguistic backgrounds. The speaker also agreed with the development of policies that recognized the contributions of migrant women in the countries of destination, and ensured that their professional credentials were recognized or that training for re-certification, if required, was available.

OIC shared the United Nations' concern for the dignity, welfare and well being of women and for the potential value of their role in the development of society. That issue had been fully recognized and reflected in resolutions adopted at the latest session of Islamic Summit Conference, held in Putrajaya, Malaysia in October 2003. Those resolutions had urged member States to adopt a participatory approach that took into account women's needs and strategic interests and enabled them to participate in all national development projects and programmes. To that end, it had been proposed to convene a ministerial conference on women in order to pursue an action plan aimed at enhancing women's role in society and creating greater opportunities for them in all walks of public life.

138. Paragraph 5 of the Secretary-General's report referred to the Programme of Action of the International Conference on Population and Development (ICPD), and focused on national admission policies which, it contended, should not be discriminatory in nature and should protect women and child migrants from discrimination. The Islamic Summit Conference had also highlighted the need to combat trafficking in migrants, placing special emphasis on the protection of women and children trafficked for sexual exploitation and coercive adoptions. In that context, the OIC representative, commenting on the view being expressed in the media about the allegedly inferior status of women vis-à-vis men in the Islamic society, pointed out that Islam granted to women equality with men in all aspects of social life. It accorded to women as many rights to life, liberty and the pursuit of happiness, including the right to property and education. Although there were some societal constraints, which reflected traditions and colonial neglect, those anomalies were being recognized and remedial measures were taken when needed. The speed with which progress could, and would, be achieved in those endeavours depended on the resources and the ability of Governments and society to break some age-old traditions that still lingered. Towards that goal, OIC would welcome the effective technical and financial support of the United Nations and all development partners.

139. **The Chairman**, recapitulating the main conclusions to be drawn from the debate on the agenda item considered, noted that microcredit and the observance of an international year on that theme in 2005 had received unanimous and vigorous support. The information provided on initiatives undertaken in various countries to promote microcredit and use it as a development tool and as an instrument for combating poverty had been interesting. The delegations had referred to various issues related to existing regulations and to the development of financial mechanisms, but that debate was far from having been exhausted. There remained a certain number of points that required more detailed consideration. UNIDO's thorough report had been welcomed and emphasis had been put on increasing the productivity and furthering the development of the private sector. Some - not many - delegations had referred to the issue of women and development, raised substantive questions and made pertinent observations regarding the problems of gender equality, broadly defined. In subsequent years, it would be appropriate to focus to a greater extent on the various points addressed by the Secretariat and the United Nations agencies in their reports.

The meeting rose at 1.05 p.m.